

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6472

BILL NUMBER: HB 1335

DATE PREPARED: Feb 5, 2002

BILL AMENDED: Feb 4, 2002

SUBJECT: ADR Pilot Project.

FISCAL ANALYST: Mark Goodpaster

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**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State & Local

Summary of Legislation: (Amended) This bill has the following provisions:

- (A) It reauthorizes the Allen County Alternative Dispute Resolution (ADR) pilot project for parties contemplating divorce.
- (B) It provides that the ADR project may include nonbinding arbitration.
- (C) It permits a senior judge to serve as a domestic relations mediator.
- (D) It permits a county other than Allen County to operate an ADR pilot project if the county: (1) uses a plan submitted to the judicial conference; and (2) obtains approval by a majority of the judges in the county exercising jurisdiction over domestic relations and paternity cases.
- (E) It increases the civil costs fee from \$120 to \$124 for cases in Allen County involving legal separations, paternities, or marriage dissolutions.

Effective Date: July 1, 2002.

Explanation of State Expenditures: (Revised) Provision C: Senior judges are paid a per diem of \$50 out of the State General Fund.

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) Provision A: Allen County Circuit and Superior courts have been permitted to operate alternative dispute resolution programs as part of marriage dissolutions since 1997. This portion of the bill would allow for this program to continue through December 31, 2006. Alternative dispute resolution programs use mediation, reconciliation, and parental counseling to assist parties in the dissolution actions to resolve their differences in a more cooperative manner.

A followup study being submitted to the Indiana Judicial Center concludes that over two-thirds of the cases mediated reached a partial or full settlement. This reduces court time and leads to better control of the court

calendar.

Provision D would permit courts other than Allen County courts to operate an alternative dispute resolution program. Implementation of a program could potentially improve movement of cases in the local court systems and reduce delay in the issuance of dissolutions.

Explanation of Local Revenues: (Revised) Provision A: Allen County reports that between 1997 and 1999, the additional \$20 fee has generated \$54,918 in Allen County. Of these revenues, 57% were spent on mediation training, a facilitator in Allen Circuit Court, fees for mediation services, and a research consultant.

Provision E: Under current law a \$120 civil fee is charged for marriage dissolutions to pay for the cost of the Alternative Dispute Resolution Program in Allen County. This provision allows for \$124 to be charged for marriage dissolutions, petitions for separation, and paternity cases in Allen County. During CY 2000, 1,916 marriage dissolution/separation cases and 979 juvenile paternity cases were filed in all of Allen County's courts. The additional revenue could generate an additional \$10,000 for the program.

State Agencies Affected: Indiana Judicial Center.

Local Agencies Affected: Trial Courts.

Information Sources: *Report on the Study of the Allen County Family Relations Alternative Dispute Resolution Plan*, submitted to the Board of Directors of the Indiana Judicial Conference, December 9, 1999; Draft of Allen County Alternative Dispute Resolution Project Phase II, 2001; Tom Felts, Magistrate, Allen Circuit Court.; IC 33-4-8-5